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MP277 ‘Virtual Gateway Connection’ Conclusions Report – version 1.0

About this document

This document summarises the responses received to the Modification Report Consultation and the decision of the Change Board regarding approval or rejection of this modification.

Summary of conclusions

Change Board

The Change Board voted to **REJECT** MP277. It believed that modification did not better facilitate SEC Objectives (a)¹, (d)², & (e)³.

Modification Report Consultation

The Smart Energy Code Administrator & Secretariat (SECAS) received four responses to the Modification Report Consultation. Three respondents believed that the modification should be approved. They considered the modification better facilitated Smart Energy Code (SEC) Objectives (a), (d), & (e). One respondent recommended MP277 be rejected.

¹ facilitate the efficient provision, installation, and operation, as well as interoperability, of Smart Metering Systems at Energy Consumers' premises within Great Britain.

² facilitate effective competition between persons engaged in, or in Commercial Activities connected with, the Supply of Energy.

³ facilitate such innovation in the design and operation of Energy Networks (as defined in the DCC Licence) as will best contribute to the delivery of a secure and sustainable Supply of Energy.

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Modification Report Consultation responses

Summary of responses

Recommending Approval

Those in favour of approving MP277 provided the following rationale:

- One respondent (Network Party) believed that MP277 would lead to a sensible evolution of the Data Communications Company (DCC) Gateway Connection and would better facilitate SEC Objectives by enabling optionality in connection whilst not requiring DCC Users to move to the virtual connection.
- One respondent (Network Party) believes MP277 should be approved as it would allow many new and prospective DCC Users the ability to make use of its services. The more Users that are able to benefit from using these services, the more chances there are for communicative collaboration in terms of information being shared across the network. This is a positive step towards growth and innovation which aligns with SEC Objective (d).
- One respondent (Network Party) believed MP277 would allow for existing DCC Users to co-ordinate their DCC Gateway Connection with their cloud-based IT infrastructure by way of a virtual connection wherever applicable, therefore in their opinion better facilitating SEC Objectives (a) and (e).
- One respondent (Network Party) recommended the approval of MP277 because they feel it delivers an option for new and existing DCC Users to request either a physical or a virtual DCC Gateway Connection. They added that they believe MP277 will benefit all new and existing Parties because it would offer a quicker and more cost-efficient virtual DCC Gateway Connection, fostering innovation and delivering new services to Energy Consumers, allowing existing DCC Users to leverage additional functionalities such as higher data throughput, built-in resilience and redundancy.

Recommending Rejection

- One respondent (Large Supplier) noted they agree with the proposal to offer cloud-based DCC Gateway Connections. However, the respondent also advised, based on information provided within the MP277 Modification Report, they believe the incoming new Data Service Provider (DSP), will aim to deliver virtual DCC Gateway Connections to DCC Users by November 2025. The respondent believed that there was not a strong enough business case to justify what could be only nine months of benefit if the functionality were to be delivered by November 2025 as expected.

Change Board vote

Change Board vote

The Change Board voted to **REJECT** MP277 under Self-Governance.

The vote breakdown is summarised below:

Change Board vote				
Party Category	Approve	Reject	Abstain	Outcome
Large Suppliers	0	7	0	Reject
Small Suppliers	0	2	0	Reject
Network Parties	2	0	0	Approve
Other SEC Parties	0	2	1	Reject
Consumer Representative	0	0	0	N/A
Overall outcome:				REJECT

One Other SEC Parties abstained from voting as they felt they did not have a strong enough understanding of MP277 and its intention in order to make a decision.

The Consumer Representative was not present for the vote.

Views relating to the General SEC Objectives

Objectives (a)⁴, (d)⁵ & (e)⁶

Only two members (Network Parties) present at the February 2025 Change Board believed that MP277 will better facilitate SEC Objectives (a), (d) & (e) as MP277 would contribute to facilitating a wider variety of potential new DCC Users joining the DCC and would allow for cloud-based Users to be utilise their existing processes and procedures.

Change Board discussions

Votes to Reject

Members who voted to reject MP277 all noted the prospective business case to implement MP277 was not strong enough to justify the associated implementation costs. Several members noted a maximum benefit period of circa. six months before Virtual Gateway Connections would be made available to DCC Users as part of the Data Service Provider (DSP) re-procurement process expected around November 2025.

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